POLICY GUIDANCE MEMORANDUM # 8 August 10, 1981

PRIVATE WATER COMPANIES

The groundwater code includes specific provisions which apply to cities, towns and private water companies. The code gives a private water company the right to withdraw and transport groundwater within its service area for the benefit of landowners and residents within its service area. 1

"Private water company" does not include:

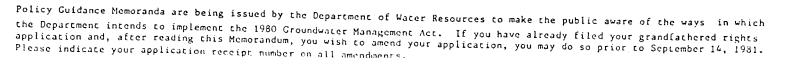
- 1. A city or town
- 2. A political subdivision or other entity established pursuant to Title 45, A.R.S. (e.g. irrigation district, agricultural improvement district, irrigation water delivery district, etc.)²

For the purpose of grandfathered rights and service area rights, the Department considers that "private water company" includes:

- 1. Public service corporations regulated by the Arizona Corporation

 Commission under a certificate of public convenience and necessity.
- 2. Homeowners associations
- 3. Cooperatives.
- 4. Wells under single or joint ownership from which groundwater is distributed to four or more households.

² Unless the political subdivision or entity is regulated as a public service corporation by the Arizona Corporation Commission under a certificate of public convenience and necessity.



¹ Section 45-492, Arizona Revised Statutes